

SUMMER 2009

NEWSLETTER OF THE SOUTHEASTERN POWER ADMINISTRATION

CALENDAR OF EVENTS



2009 Freedom of Information Act and Privacy Act Training Conference

July 28-31, 2009 Washington, DC

DEFCON© 17 Hacking Conference

July 30-August 3, 2009 Las Vegas, NV

PMA Cyber Security Conference

August 26-27, 2009 Portland, OR

Team Cumberland PCC Meeting

September 16, 2009 Nashville, TN

Team Cumberland Meeting

September 17, 2009 Nashville, TN

NRECA Regions 1 & 4 Meeting

September 19-20, 2009 Burlington, VT

NRECA Regions 2 & 3 Meeting

September 30 – October 1, 2009 Chattanooga, TN

FERC Compliance Summit

September 23-25, 2009 Washington, DC

New Employees/Promotions at Southeastern

Southeastern recently hired two new employees to fill vacancies in the Power Resources Division:

- Chris Baur, Power System Operator
- Ravi Patel, Hydraulic Engineer

Herb Nadler was selected as the Assistant Administrator, Power Resources, effective July 5, 2009. Nadler previously served as a hydraulic engineer in Southeastern's Power Resources Division.



Team Cumberland Meeting Scheduled

The next Team Cumberland meeting has been scheduled for Thursday, September 17, in Nashville, TN. The meeting details listed below have been forwarded to participants:

Embassy Suites Hotel - Nashville at Vanderbilt

1811 Broadway

Nashville, TN 37203

phone: (615) 320-8899

The cut-off date for overnight accommodations is August 16, 2009.



Jim Woodruff System Rate Adjustment

The comment period for the proposed Jim Woodruff System rate adjustment ended June 26, 2009. Written comments were received from two sources and Southeastern is in the process of evaluating these comments. After the evaluation is completed, Southeastern may revise the proposed rate schedules before forwarding them to the Deputy Secretary with a request for approval on an interim basis. The new rate schedules would be effective September 20, 2009.

Cumberland System Customer Funding

The Project Coordination Committee (PCC) for the Cumberland System met in Mobile, AL, on July 15-16, 2009, to review and update the customer funding program framework. A possible long-term Memorandum of Agreement is being discussed and drafted by the PCC.

Judge Issues a Memorandum and Order on Tri State Water Rights Litigation

A federal judge ruled that Georgia must stop withdrawing water from Lake Lanier within three (3) years. U.S. District Court Judge Paul Magnuson ruled on July 17, 2009, that Georgia must stop withdrawing water from the lake unless it can get permission from Congress to do so.

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(from front)

The judge acknowledged it would be impossible for the state to immediately stop using Lake Lanier because it is Atlanta's main water supply. He is allowing three years for the state to seek proper authority from Congress. The judge says Lake Lanier wasn't built for water supply, and most of Georgia's withdrawals from the lake are inconsistent with the projects' authorized purposes. Florida, Georgia, and Alabama have been in a legal and political battle over water rights since the early 1990s.

FY 2010 Appropriations

The House and Senate Appropriations Committees completed their work on the FY 2010 appropriations bills that fund the Department of Energy (including the PMAs) and the U. S. Army

Corps of Engineers. Each version passed out of the Committees included language to reclassify Southeastern, Southwestern, and Western's receipts from mandatory to discretionary for annual expenses. In addition, both bills provide the FY 2010 budget request of \$7.6 million for Southeastern. The full House passed their bill (H.R. 3183) on July 17 by a vote of 320 to 97. The Senate bill (S. 1436) is not likely to hit the Senate floor before the August recess.

New Ranking Member on the House Subcommittee, Water and Power

Representative Tom McClintock (R-CA) assumed the role of Ranking Member on the House Subcommittee for Water and Power from Representative Cathy McMorris Rodgers (R-WA), who resigned the position to assume a similar role on the Subcommittee of the House Education and Labor Committee. The House Subcommittee on Water and Power is responsible for oversight of the Power Marketing Administrations, the U. S. Army Corps of Engineers, and the Bureau of Reclamation. Representative McClintock was first elected in 2008 to replace Representative John Doolittle (R-CA).

New Employees Named at DOE

Secretary Chu recently welcomed several new members of his leadership team to the Department of Energy:

- Deputy Secretary: Daniel Poneman
- Under Secretary: Kristina Johnson
- Under Secretary for Science: Steven Koonin
- General Counsel: Scott Blake Harris
- Assistant Secretary, Policy and International Affairs: David Sandalow
- Assistant Secretary, Environmental Management: Ines Triay
- Assistant Secretary, Energy Efficiency and Renewable Energy: Cathy Zoi
- Director of Science: William Brinkman

PLANT AVAILABILITY/CAPACITY UPDATE: MAY - JULY 2009

GA-AL-SC System Update

Allatoona #1 (35MW):

- Unit #1 out of service due to transformer failure.
- Proposals for replacement of transformer received and being reviewed.
- Award expected in 60 to 90 days,
- COE continues work on modification plans for project switchyard.

George Rehab:

- · Rehab work on Unit #4 continues.
- Unit #4 scheduled to return to service in March 2010.

Hartwell #5:

- Unit #5 out due to rotor rim problem.
- Contractor determined there are existing design deficiencies in the rotor spider.
- Investigating methods that may allow a temporary repair of unit.

Russell #5, 6, 8

- Alignment repair work on all three units continues.
- COE working to correct the lean in the shaft of Unit #5.
- Work on Unit #5 expected to be completed within two weeks.

Cumberland System Update

Customer-Funded Basin Study:

- The contractor for the Cumberland System Basin Study (MWH) provided a draft construction prioritization plan for the System.
- PCC currently reviewing the plan and working to develop a long-term MOA for the System.

Wolf Creek Dam Safety Issue:

- The cutoff wall contractor continues the placement of the protective concrete embankment wall in area 2 with over 60 panels installed to date.
- Contractors continue grouting program in critical area 1 and on the right rim.
- Weekly Progress Report available online:
 - www.lrn.usace.army.mil/WolfCreek.

Center Hill Dam Safety Issue:

- Contractor continues grouting program on embankments at the project.
- Exploratory holes being drilled in cave treatment area of project.
- Information on Center Hill is available online: www.lrn.army.mil/CenterHill.

Kerr-Philpott System Update

John H. Kerr Unit #7 (36MW):

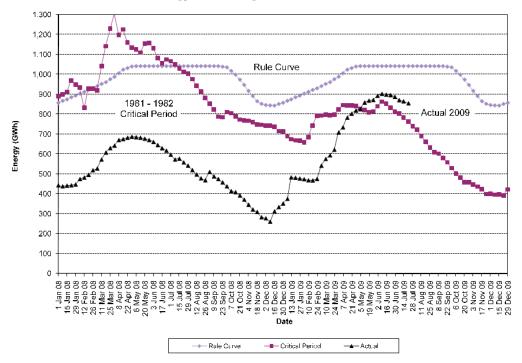
- Rehab work on Unit #7 complete.
- Work on Unit #5 currently underway and expected to be completed in February 2009.

Jim Woodruff System Update

Unit Control and SCADA Systems:

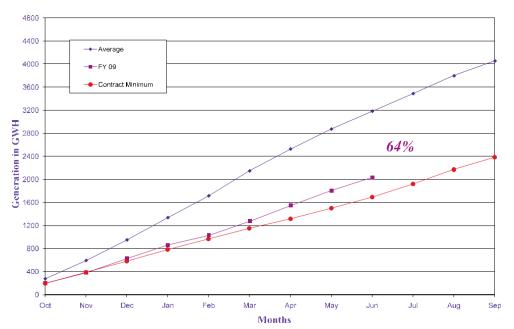
- Installation work on the control and SCADA Systems continues.
- Work on Unit #2 is scheduled to be completed by end of July.
- Project peaking operation continues, provided project inflows exceed 6000 cfs.

GEORGIA-ALABAMA-SOUTH CAROLINA SYSTEM Energy-In-Storage 2007 - 2009



Note: The critical period is Calendar Year 1981.

GA-AI-SC System FY 09 Cumulative Net Generation







US Army Corps of Engineers.

Commander/Chief of Engineers:

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South Atlantic Division Engineer:

Brig. General Todd T. Semonite phone: (404) 562-5005

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Mobile District Engineer:

Colonel Byron G. Jorns phone: (334) 690-2511

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